



Wednesday, April 14, 2004

RE: William Hanson III  
601-34-6329

To Whom It May Concern:

Ideal Merchandising employed Mr. William Hanson III from October 1, 2003 until January 23, 2004. Mr. Hanson held the position of a merchandiser.

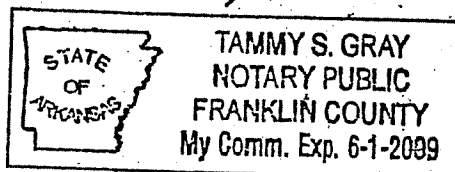
On January 23, 2004, I received a phone call from the Sales Manager at Lowe's Home Improvement Store #587 (Dover, Delaware) regarding Mr. Hanson (the Sales Manager is the acting Store Manager when the Store Manager is absent). The Sales Manager reported that Mr. Hanson was walking around the Lowe's Home Improvement Store with a tape recorder attempting to tape/taping conversations between Lowe's employees, Lowe's management, and himself. The Sales Manager further stated that because Mr. Hanson's behavior was so disruptive in nature that she contacted the Lowe's Store Manager. It was decided that they (Lowe's Home Improvement) do not want this merchandiser in their store because his behavior was disrupting the Lowe's employees job performance and was unproductive.

Ideal Merchandising is a dedicated vendor to Lowe's Home Improvement. In the event that a merchandiser's behavior becomes such that they are removed from their assigned store (s), Ideal Merchandising has no other position to place an employee and subsequently has to end the employment relationship. In this case, however, employee's actions violated Ideal Merchandising's established Standards of Conduct as printed in the Employee Handbook.

Cordially,  
Jeremy Leaman  
District Manager #20  
Ideal Merchandising

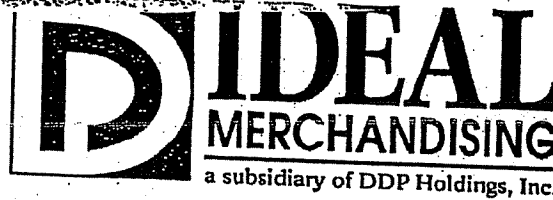
Signature: \_\_\_\_\_

Notary: \_\_\_\_\_



Hanson v. Lowe's  
IMS0006

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## TERMINATION / SEPARATION NOTICE

Please be informed that as of Friday, January 23, 2004 the following employee is no longer working for us.  
(effective date)

Will Hanson III  
Employee Name

601-34-6329  
Employee SS Number

Ideal Merchandising/District #20  
Client Company

Type and Reason for Termination/Separation  
(Please check all that apply)

☐ Voluntary Termination (1)

- ☐ Better Pay or Better Job (B)  
☐ No Notice Given (5)

- ☐ No Call, No Show (N)  
☐ Walk Out (W)

☐ Other (O) \_\_\_\_\_

☒ Involuntary Termination (2)

- ☐ Inappropriate Fit for Position (R)  
☐ Theft (T)  
☒ Failure to Perform Job Duties (F)  
☐ Deceased (D)

- ☐ Lack of Work/Lay Off (L)  
☐ Position Eliminated (E)  
☐ Excessive Absenteeism/Tardiness (A)  
☒ Other (O) Lowe's Request

- ☐ Insubordination (I)  
☐ Chemical Dependence (C)  
☐ Positive Drug Screen (P)

### Explanation or Additional Comments:

Violation of Standards of conduct #4,8,11,12,13,16, and 19 (...disorderly conduct while at work; ...interfere with production; Work at unacceptable speed or level of production; ...disruptive behavior; Negligence and inattention to job duties; Performing personal business on Company time; Willful acts of disregard for personnel and Company policies). Lowe's store management in store #587 (Dover, DE) informed Ideal District Manager that they do not want this employee working in their store. They reported that employee was walking around with a tape recorder and was taping conversations with Lowe's employees.

Date

Authorized Signature

Title:

### OFFICE USE ONLY

HR JLW

BD

PR

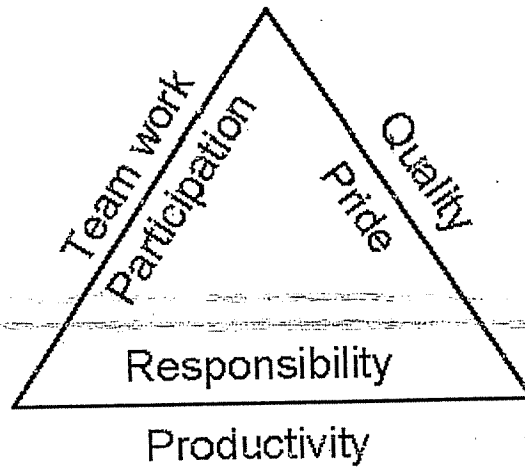
WC

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Hanson v. Lowe's  
IMS0007

04-378  
liability

# **Ideal Merchandising Sales and Services Unlimited, Inc.**



Please sign and return center  
page to  
Cathey Ivey  
1174 W. Henri De Tonti  
Springdale, Ar. 72762

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**Welcome To Ideal Merchandising Sales and Services Unlimited, Inc.**

We are pleased you have chosen to work at Ideal Merchandising Sales and Services Unlimited, Inc. - a leader in the merchandising industry.

You and Ideal Merchandising share the same goals - growth and financial security. Working together and applying our individual capabilities to their fullest. WE can achieve success.

We have adopted the "Triangle of Excellence" as the emblem representative of our operating philosophy: "First in Quality, First in Productivity, and First in Teamwork." Ideal Merchandising's "Triangle of Excellence" is the philosophy created and adopted by its team of individual's and managers dedicated to the interaction of teamwork, quality, and productivity through participation, pride, and responsibility.

It is our intent, through the "Triangle of Excellence" philosophy, to strengthen the position of Ideal Merchandising, Inc. in the marketplace. Through the accomplishment of this goal, employees and the Company will achieve their mutual goals - growth and financial security.

We look forward to you enjoying a long and challenging career at Ideal Merchandising, Inc.

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## INTRODUCTION

This handbook has been prepared to inform you about Ideal Merchandising's employment practices, and policies, as well as the benefits provided to you as a valued employee and the conduct expected from you. It is designed as a guide to insure consistent, fair, and uniform treatment of all employees. No employee manual can answer every question, nor would we want to restrict the normal question and answer interchange among us. It is in our person-to-person conversations that we can better know each other, express our views, and work together in a harmonious relationship. Any questions regarding the interpretation of information covered may be discussed with your manager. Any suggestions for improvements are always welcome. It is the policy of the Company to encourage employee recommendation that will benefit employee-employer relations. We wish you success in your career at Ideal Merchandising, Inc. We know you will find the working atmosphere to be pleasant and friendly, and we hope you will contribute to this spirit.

We ask that you read this Manual carefully, and refer to it whenever questions arise. We also suggest that you take it home so your family can become familiar with Ideal Merchandising, Inc. and our policies.

Ideal Merchandising Inc.'s policies, benefits and rules, as explained in this Manual, may be changed from time to time as business, employment legislation, and economic conditions dictate. If and when provisions are changed, you will be given replacement pages for those that have become outdated.

No statement or promise by a manager, or district manager may be interpreted as a change in policy nor will it constitute an agreement with an employee.

Should any provision in this Employee Handbook be found to be unenforceable and invalid, such finding does not invalidate the entire Employee Handbook, but only the subject provision.

It is required of each employee, while working in a Lowe's Store, you abide by that Store's practices, policies and procedures in that State, as well as the guidelines set forth in this handbook.

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## **EMPLOYMENT POLICIES**

### **At Will Employment**

All employment and compensation with Ideal Merchandising, Inc. is "at will" which means that your employment can be terminated with or without cause, and with or without notice, at any time, at the option of either Ideal Merchandising, Inc., or yourself, except as otherwise provided by law.

### **Equal Employment Opportunity**

Equal Employment Opportunity has been, and will continue to be, a fundamental principle at Ideal Merchandising, where employment is based upon personal capabilities and qualification without discrimination because of race, color, religion, creed, national origin, ancestry, disability, sex, age, military status or any other status protected by applicable Federal, State and Local laws.

This policy of Equal Employment Opportunity applies to all policies and procedures relating to recruitment and hiring, compensation, benefits, termination and all other terms and conditions of employment.

### **Americans With Disabilities Act**

It is our policy to comply with all the relevant and applicable employment provision of the Americans With Disabilities Act ("ADA"). We will not discriminate against any qualified employee or job applicant with respect to any terms, privileges, or conditions of employment because of a person's physical or mental disability.

### **Drug Free Workplace Policy**

Ideal Merchandising, Inc. is committed to providing a safe work environment and to fostering the well-being and health of its employees. That commitment is jeopardized when any of our employees use drugs on the job, comes to work under the influence, or possesses, distributes or sells drugs in the workplace. The term "drug" includes alcoholic beverages and prescription drugs, as well as illegal inhalants and illegal drugs.

The goal of this policy is to balance our respect for individuals with the need to maintain a safe, productive drug-free environment. Drugs will not be tolerated at the work site. Abuse of prescribed medications and over-the-counter drugs will not be tolerated at the work site.

With these basic objectives in mind, we have established the following policy:



A. It is a violation of policy for any employee to possess, distribute, sell, trade, or offer for sale drugs or otherwise engage in the use of drugs on the job.

B. It is a violation of policy for any employee to report to work under the influence of drugs.

C. It is a violation of policy for any employee to misuse prescription drugs which may affect performance of work.

D. Violations of this policy subject the employee to discipline, up to and including immediate termination.

An employee reporting to work visibly impaired and who is unable to properly perform required duties will not be allowed to work. When possible, the supervisor should first seek another supervisor's opinion of the employee's status. Then the supervisor should consult privately with the employee to determine the cause of the observation, including whether alcohol or other substance abuse has occurred. If, in the opinion of the supervisor, the employee is considered impaired, the employee should be sent by taxi or other safe transportation to a medical facility for testing. An impaired employee must not be allowed to drive.

#### Testing

Employees will be tested for the concentration of drugs as identified by the Substance Abuse & Mental Health Administration (SAMHA):

Marijuana metabolites	50 ng/ml
Cocaine metabolites	300 ng/ml
Opiate metabolites	300 ng/ml
Phencyclidine	25 ng/ml
Amphetamines	1,000 ng/ml
Alcohol	0.02-0.04 breath concentration

#### A. Pre-Employment Testing

We reserve the right to conduct pre-employment drug testing. When pre-employment testing is implemented, the testing will be conducted for all applicants who are tendered a conditional offer of employment. The conditional offer of employment will be withdrawn for any applicant who tests positive for drugs.

Applicants may be required to voluntarily submit to a test at a collection site chosen by the employer, and will be required to sign a consent agreement which will release the employer from liability.



## B. Current Employee Testing

All current employees are subject to drug and alcohol testing as described below. Urine will be used for the initial test for all drugs except alcohol and for the confirmation of all drugs except alcohol. Breath analysis will be used for the initial and confirmation test for alcohol. It shall be a condition of continued employment for all employees to submit specimen(s) for analysis based upon the following:

### 1. Reasonable Suspicion Testing

- (a) Observed drug use during work hours or on work site premises.
- (b) Apparent physical state of impairment.
- (c) Incoherent mental state.
- (d) Marked changes in personal behavior that are otherwise unexplainable.
- (e) Deteriorating work performance that is otherwise unexplainable.
- (f) Accidents or other actions that provide reasonable cause to believe the employee may be under the influence of drugs.

### 2. Post Accident Testing

~~Any employee involved in or otherwise causing a job-related accident which requires medical treatment by a company physician or by hospital/clinic medical personnel will be required to take a drug test immediately following the accident or at the time of initial treatment by a medical care facility.~~

Any employee involved in or otherwise causing an accident resulting in damage to work site property or to another's property while the employee is conducting company business may be required to take a drug test. Also, "near miss" incidents, where there is no personal or physical damage or injuries, will be evaluated and a determination will be made if there is cause to test for drugs for any or all employees involved.

### 3. Random Testing

We also reserve the right to conduct random drug testing. All full-time and part-time employees may be randomly tested. A computer program or other independent, bias-free method of name selection will be used to ensure that employees to be tested are randomly selected.

#### **C. Grounds for Discipline or Termination**

An employee in possession of, selling/purchasing, or attempting to sell/purchase drugs, or having body concentrations of drugs above the threshold levels established by the Substance Abuse & Mental Health Administration (SAMHA) and applicable local, state, or federal laws or regulations while at work, or on company business, is guilty of misconduct and is subject to discipline, up to and including termination. Failure to submit to required drug testing is misconduct and is grounds for discipline, up to and including immediate termination.

An employee may request in writing access to testing records within seven (7) days of notification of test results.

**The law regarding drug testing that are applicable to your state will be applied.**

#### **Harassment Policy**

The Company is committed to providing a work environment that is pleasant, healthful, comfortable, and free from intimidation, hostility or other offenses which might interfere with work performance. Harassment of any sort - verbal, sexual, physical, visual - will not be tolerated.

#### **What Is Harassment?**

Harassment can take many forms. It may be, but is not limited to: words, signs, jokes, pranks, intimidation, physical contact, or violence. Harassment is not necessarily sexual in nature. Sexually harassing conduct may include unwelcome sexual advances, requests for sexual favors, or any other verbal or physical contact of a sexual nature that prevents an individual from effectively performing the duties of their position or creates an intimidating, hostile or offensive working environment, or when such conduct is made a condition of employment or compensation, either implicitly or explicitly.

#### **Responsibility**

All Ideal Merchandising employees, and particularly work site managers, have a responsibility for keeping our work environment free of harassment. Any employee who becomes aware of an incident of harassment, whether by witnessing the incident or being told of it, must report it to their immediate manager, or any management representative with whom they feel comfortable. When management becomes aware that harassment might exist, it is obligated by law to take prompt and appropriate action.

### **Reporting**

Any incidents of harassment must be immediately reported to a manager, Human Resources Department, or other management representative. Appropriate investigation and disciplinary action will be taken. All reports will be promptly investigated with due regard for the privacy of everyone involved. Any employee found to have harassed a fellow employee or subordinate will be subject to severe disciplinary action or possible discharge. Ideal Merchandising will also take any additional action necessary to appropriately remedy the situation. No adverse employment action will be taken for any employee making a good faith report of alleged harassment.

Ideal Merchandising accepts no liability for harassment of one employee by another employee. The individual who makes unwelcome advances, threatens or in any way harasses another employee is personally liable for such actions and their consequences. Ideal Merchandising will not provide legal, financial or any other assistance to an individual accused of harassment if a legal complaint is filed.

### **Proof of U.S. Citizenship and/or Right to Work**

Federal regulations require that all applicants must complete and sign Federal Form I-9, Employment Eligibility Verification Form, within the first three days of hiring, and all applicants who are hired need to present documents of identity and eligibility to work in the U. S.

### **BASIC EMPLOYMENT INFORMATION**

#### **Work Week**

The work week is generally defined as a period of five (5) consecutive eight (8) hour days.

#### **Pay Date**

Payroll is Biweekly. Pay checks will be sent by US Mail unless you are set up on direct deposit. Motel receipts must accompany time sheets to be reimbursed. A \$45 maximum per night unless authorization by Company President is allowed. A \$20 per diem will be paid with a motel receipt.

#### **Introductory Period**

As a new employee, you will serve a ninety (90) day introductory period. During this period, you will be able to see how we operate as a company, and at the same time, we will have a chance to see if you report to work regularly, can follow instructions and get along with others. You may be assigned to a variety of duties and your performance will be reviewed periodically.

### **Performance Reviews**

Your first performance review will be at ninety (90) days; thereafter, performance reviews will be done annually. The performance review measures your performance against the requirements of your job. The performance review is an exchange of information between employee and supervisor during which strengths, weaknesses, and development needs are identified.

All wage increases are based strictly on merit and should not be construed as being automatic. Your eligibility for an increase will depend on such factors as job performance, training, completion, attendance, tardiness, safety, and attitude as evaluated by your supervisor. Your supervisor will discuss your review with you in detail. He/she will offer specific suggestions for improving and help set performance goals to be met by the time of your next review. If you are unhappy with your evaluation, you may discuss your disagreement with the Human Resources Manager.

### **Promotion and Advancement**

Positions other than manager level will be posted. Whenever possible, higher job openings are filled by promoting present employees. Promotion is based on a combination of proven skills and abilities, length of service, overall employment record and the ability to perform the work.

### **Reduction In Workforce**

Although no company plans on reductions, business conditions sometimes make reductions in the workforce necessary. Workforce reductions and return to the workforce will be based upon a combination of skill and ability, length of continuous service, and the requirements of available jobs.

### **Termination Of Employment**

It is the policy of this facility to give both Ideal Merchandising and the employee ample time to adjust to the termination of employment for reasons other than termination for cause. Since employment is based on the mutual consent of both Ideal Merchandising and the employee, either party is privileged to terminate employment at any time, for any reason.

### **Payment of Wages Upon Termination**

State law regulates the payment of final wages due on termination or death of an employee. The specified period between separation of employment and the due date of final wages may vary depending on the type of separation (voluntary or involuntary).

#### **Your Personnel File**

Keeping your personnel file up-to-date can be important to you with regard to pay, deductions, benefits and other matters. If you have a change in any of the following items, please be sure to notify Human Resources as soon as possible:

1. Legal name
2. Home address
3. Home telephone number
4. Person to call in case of emergency
5. Number of dependents
6. Marital status
7. Change of beneficiary
8. Driving record or status of driver's license, if you operate any company vehicles
9. Military or draft status
10. Exemptions on your W-4 tax form

#### **Attendance and Tardiness**

Should it be necessary for you to be absent from work, you must call the Company before the start of the work shift. Employees who are absent and do not notify the Company are subject to disciplinary action, up to and including termination. If you are going to be absent or late, please call to report your absence or tardiness to your manager. In the event your manager is not available, a message should be left with the Human Resources Department. The manager should be called later and given complete information regarding your absence.

#### **OTHER POLICIES & PROCEDURES**

##### **Bereavement Leave**

The Company provides full time employees who have completed ninety (90) days of employment up to twenty-four (24) hours paid leave for scheduled work time lost attending the funeral of an immediate family member. Immediate family members are defined as spouse, children, stepchildren, mother, father, stepparent, sister, brother, grandfather, grandmother, grandchild, father-in-law, and mother-in-law.

The paid leave time will include up to twenty-four (24) regularly scheduled hours of work beginning with the date of the relative's death and ending with the date following the day of burial.

### **Communication**

At Ideal Merchandising, Inc. you are provided with a voice mailbox that you are required to check for messages at least twice daily. We require you to do this in case a store needs to get in touch with you, your manager needs to talk with you, or the Home Office has questions that you need to answer or for any other reason. This takes very little time and could be very useful to you.

You and your manager will decide on a specific time for a weekly telephone visit. This is important as this is when you will receive updates on resets or other modifications to the lines we service as well as put in your requests for literature and displays or any other needs you may have. Please make notes as you service and have them handy at the time of your visit. If, at any time, your home phone changes, please notify the office immediately.

### **Company Property**

The company provides equipment to employees and these items are to be used solely for the company's purposes. Employees are expected to exercise care in the use of company equipment and use such property only for authorized purposes. Loss, damages or theft of company property should be reported at once. Negligence in the care and use of company property may be considered grounds for termination. The following is a non all-inclusive list of equipment provided by the company:

- 1) Vendors vest
- 2) Cell Phone
- 3) Pager
- 4) PDA (personal digital assistant) Kit, which includes:
  - a. PDA
  - b. Digital camera
  - c. Scanner
  - d. Carrying case
  - e. Charger

Upon termination of employment, the employee must return all company property, equipment, work product and documents in his or her possession or control.

### **Dress Code**

It is the responsibility of each employee to dress in a manner which is safe and considered acceptable and proper for a business environment. Failure to dress appropriately for work may result in the employee being sent home and/or disciplinary action. To follow is a list of acceptable clothing and personal hygiene:

1. Professional appearance includes well-brushed teeth, clean hands, trimmed fingernails, and daily use of antiperspirant. PERSONAL HYGIENE.....PLEASE!
2. Hairstyles are to be well kept and in appropriate taste. (no hair in eyes, please).
3. Mustaches and beards should be neat and well groomed.
4. Clean, neat clothing is desirable. Company shirts and jeans or slacks are to be worn, if available. Shirts should be tucked in and pressed, if appropriate. Appropriate undergarments must be worn. Vendor vests must be worn. No logo's or wording permitted on shirts.
5. Shoes should be clean and free from tears or holes. No open-toed footwear.
6. Caps and hats are not allowed.
7. Always wear your Ideal Merchandising name tag!

#### **Employee Benefits**

Employee Benefits are available to all eligible employees. To be eligible for benefits an employee must be full-time, working an average of 40 hours a week, and have successfully completed the 90 day introductory period.

#### **Family and Medical Leave of Absence**

The Family and Medical Leave Act of 1993 (FMLA) covers all employees who work for employers with 50 or more employees within 75 miles of a given work place. An employee must have worked at least 12 months for the employer and 1250 hours in the past year to be entitled to the leave benefit. All eligible employees are entitled to a total of 12 weeks of leave during any 12 month period for one or more of the following: 1) birth of a child, 2) placement of child for adoption or foster care, 3) caring for a spouse, child, or parent with a serious health condition, or 4) the serious health condition of the employee. A serious health condition is defined as inpatient care at a hospital, hospice, or residential medical care facility, or continuing care by a doctor of medicine or osteopathy. The employer can require an employee to provide a doctor's certification of the serious health condition.

An employee who takes leave under the law must be able to return to the same job or a job with equivalent status and pay. (There is a limited exception to this for certain highly compensated employees.) In addition,

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the employer must continue the employee's health benefits during the leave period at the same level and conditions as if the employee had continued to work. If the employee chooses not to return to work for reasons other than a continued serious health condition, the employer may recover from the employee the premium that the employer paid for the employee's health coverage.

The above is just an excerpt from the actual Act. Ideal Merchandising, Inc. utilizes the "rolling" 12 month period in calculating an employees entitlement of 12 weeks of leave. If you have any questions, please see your manager or call the Human Resources Department for clarification.

#### Holidays

The company provides paid holidays each year for all full-time employees who have successfully completed the 90 day introductory period. Holiday pay will be calculated at the straight time rate for eight (8) hours.

Ideal Merchandising recognizes the following 9 holidays:

New Years Day, Jan. 1  
Good Friday  
Memorial Day  
Independence Day  
Labor Day  
Thanksgiving Day and Day After  
Christmas Eve and Christmas Day,

Eligibility for Holiday Pay - You must work the last scheduled day before a holiday and the first scheduled working day following the holiday to be eligible for holiday pay. If a designated holiday falls within your vacation period, the holiday is not considered a vacation day.

#### Jury Duty

In recognition of the Company's need to support the American system of trial by a jury of peers, employees will be granted leave to serve on a local jury. However, State laws vary on whether employers must pay employees summoned to serve as jurors or witnesses in state courts; thus, the law applicable to your state will be applied.

#### Military Service

If you are a member of any U.S. Military branch of service or a state militia group, for example National Guard, you may take the necessary time off to fulfill this obligation, and you will retain all your legal rights for continued employment under existing Federal and State Laws.

#### **PTO (Personal Time Off)**

PTO is to provide a cushion of time against days lost an allowance of one-half day per month (4 hours) is credited to each full-time hourly employee for every month of employment (six days per year) after 90 days of employment. Days accumulated to a maximum of 24 days which are not payable upon separation from the Company.

In lieu of accruing PTO from year to year employees may elect a "cash payout" for accrued PTO, maintaining a balance of at least 8 hours. PTO is based on a calendar year and will be paid out by December 31, each year. If you need time off and do not have accrued PTO available, time off may be taken without pay.

#### **Workplace Safety Program**

Ideal Merchandising believes that its employees are the most important resource and that safeguarding of their health and safety cannot be overemphasized. Therefore, it is the policy of this company that every job will be done in a safe manner and that every employee will be provided with a safe and healthful work environment and that, as part of the employee orientation, he will be given a list of safety guidelines.

Most accidents are caused by carelessness and our Company is very interested in all precautions necessary to insure your safety. Any safety measures are worthless unless each employee cooperates completely.

Study the following general safety rules and use them in your daily work habits:

1. Employees will report all injuries immediately to the person in charge. No employee shall go to a physician or other practitioner for treatment of any on-the-job injury without authorization from the supervisor in charge - except under absolute emergency conditions.
2. Injuries not reported before leaving the workplace will result in any subsequent claim being questioned, thus jeopardizing rights to compensation.
3. If you witness an accident to a fellow employee, report it to the person in charge immediately.
4. Cooperation in accident investigation is required of all employees.

5. All employees are required to attend safety meetings called by their supervisors.
6. Suggest ways to improve safety measures. Report unsafe acts or conditions to your manager immediately.
7. Do not remove or tamper with guards or safety devices on machines.
8. You are required to maintain good housekeeping in your own and other work areas.
9. Find out the safe way to do heavy lifting if your job requires it. Lift with your legs, with your back in proper position. When lifting heavy merchandise that is bulky, be sure to get help.
10. All danger and warning signs must be observed.
11. Safety shoes, eye protection or any safety equipment provided by the Company must be worn at all times when you are working in an area requiring such protection.
12. Equipment will be operated only by personnel authorized by the manager who is responsible for the equipment.
13. Do not wear jewelry or loose fitting clothing when operating machines.
14. Defective tools, machinery, or electrical equipment must be reported at once to your supervisor. Only designated personnel may make repairs on equipment.
15. Horseplay is strictly prohibited in and around the workplace.
16. Forklifts are to be operated by store employees only.
17. Stay clear of all loads being moved, conveyed, or otherwise transported.
18. Keep all aisles and passageways clear and unobstructed at all times.
19. Loose materials, tools, and equipment should not be left in aisle or piled in an unsafe manner.

20. Smoking must be confined to designated areas. There are no exceptions.

**A violation of safety policies or posted safety rules will be cause for disciplinary action, up to and including termination.**

#### **Solicitation and Distribution**

Non-employees are prohibited from solicitation, distribution of literature or trespassing on Company premises at any time.

Solicitation by one employee of another employee is prohibited while either employee doing the soliciting or the employee being solicited is on working time. Working time includes the working time of the employee doing the soliciting and the employee to whom the soliciting is directed, but does not include break time, meal periods or before and after work when employees are properly not engaged in performing their work tasks. Distributions of advertising material, handbills, or other literature in working areas of the Company is prohibited at any time.

#### **Standards of Conduct**

By accepting employment with us, you have a responsibility to Ideal Merchandising, Inc., and to your fellow employees to adhere to certain rules of behavior and conduct. The purpose of these rules is not to restrict your rights, but rather to be certain that you understand what conduct is expected and necessary. When each person is aware that he or she can fully depend upon fellow workers to follow the rules of conduct, then our organization will be a better place to work for everyone. Generally speaking, we expect each person to act in a mature and responsible way at all times. If questions, please see your manager for an explanation.

Only a successful business can provide its employees stable employment with opportunity for career growth. To be successful, a business requires employees who use their working hours in the most productive manner. When an employee does not cooperate in the group effort, it may be necessary to apply disciplinary action in the form of a warning, a suspension without pay, or even discharge, depending on the seriousness of the action.

Here at Ideal Merchandising, Inc. there is rarely the need for severe discipline; however, violation of any of the following rules may result in disciplinary action, up to and including immediate termination. This list is not all-inclusive, but is representative of the kinds of violations that would normally result in termination.

1. Reporting for duty under the influence of alcohol or drugs.

2. Bring or use alcoholic beverages or drugs on Company property.
3. Sleeping on the job during working hours.
4. Fight or engage in horseplay, loafing, disorderly or immoral conduct while at work.
5. Bring weapons onto Company property.
6. Violate Health or Safety rules.
7. Gamble on company property.
8. Willfully damage, deface, or destroy Company property or hold back or interfere with production.
9. Refuse to follow a manager's instructions or direction.
10. Steal Company or a fellow employee's property.
11. Work at an unacceptable speed or level of production.
12. Argumentative, uncooperative, or disruptive behavior.
13. Negligence and inattention to job duties.
14. Engaging in illegal activity.
15. Disclosing confidential information concerning a customer of the Company.
16. Performing personal business on Company time.
17. Falsification of Company records, including but not limited to the employment application, insurance application, service ticket, expense reports and employee time card.
18. Willful destruction of company or customer property.
19. Willful acts of disregard for personnel and Company policies.
20. Violations of safety rules and regulations including traffic laws.
21. Accepting monetary gratuities or gifts from suppliers or customers.

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- 22. Excessive use of Company telephone for personal business. This includes the making of personal WATTS calls. 1-900 calls, or long distance telephone calls.
- 23. Failure to maintain sufficient personal hygiene and appearance.
- 24. Excessive absenteeism and/or tardiness.

#### **Time off to Vote**

Most states now require employers to give workers a maximum of two hours off to vote, and many of those states specify that such time off must also be with pay; thus, the law applicable to your state will be applied.

#### **Vacations**

All regular full-time employees who have completed one (1) year or more of continuous service will be entitled to paid vacation according to the following schedule:

<u>Service Time</u>	<u>Vacation Eligibility</u>
1 - 5 years	One (1) Week
5 years and beyond	Two (2) Weeks

The balance of earned but unused vacation will be paid upon resignation if two working weeks' notice of resignation is given and completed. If two working weeks' notice is not given, the balance of vacation owed will be forfeited.

There will be no carryover of vacation. All vacation leave must be taken before the employee's next anniversary date. If you do not use, you lose. Your Manager must approve the scheduling of vacations. Where the number of employees requesting a certain vacation period is more than business requirements can allow to be absent, length of service will determine which request are approved.

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#### **Workers Compensation Insurance**

All employees are covered by the State Worker's Compensation Law. Benefits are provided in the event of injury to, or death, of an employee including payment of compensation based on average earning within a weekly maximum amount determined by state law.

Employees are required to notify the Company of any job related injury and complete an accident report when medical attention is or may be required at a later date. All accidents should be reported immediately to your manager.

#### **401 K Retirement Plan**

Ideal Merchandising, Inc. is pleased to offer a 401(k) to all full time employees after 6 months of service.

#### **In - Store Procedures**

1. It is mandatory to always sign in when you enter the store, and when you leave the store.
2. Check in with the manager of the department you are working.
3. Make sure all displays are clean and in proper working order.
4. Down stock as much product as possible.
5. Clean, dust, and straighten each product set.
6. Refill all literature holders.
7. Check overhead signage and P.O.P. Order replacements from your manager if necessary.
8. Check computer counts against physical counts and make adjustments while you are in the store.
9. Find the store manager or manager on duty on each visit, introduce yourself and request a walk-through.
10. Maintain the integrity of each and every set. Check the P.O.G.

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11. If you are in a store that needs some special work on a certain set, fix it while your are there.
12. Always leave your area clean and free from debris.
13. We do not ever leave product on the floor overnight.
14. You are responsible for your job in its entirety, trusting a store employee (even a manager) is not the "Ideal" way to service a store.
15. Take everything into the store that you might need, repeated trips to the vehicle waste time and energy.
16. In argumentative situations there are no winners, all the way around. Time and energy are wasted, feelings get hurt and we suffer as an end result.

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**Ideal Merchandising  
Sales and Services  
Unlimited, Inc.**

**(479) 361-2504**

This should not be construed as legal advice or a legal opinion on any facts or circumstances. The contents are for general information purposes only. Anyone needing specific legal advice should consult an attorney.

**Revised 07/01/02**

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